

Old Age, Disability, Death

First law: 1956.

Current law: 1991, 1996.

Type of program: Social insurance system.

Note: Provisions and rates as of January 1997 unless indicated otherwise.

Exchange rate: U.S.\$1.00 equals 80.3 tenge (as of January 1999).

Local authorities and employers may provide supplementary benefits out of their own budgets.

Coverage

All employed persons residing in Kazakhstan (including residents who are foreign citizens and those without citizenship). Special provisions for government employees, teachers, professional athletes and specific categories of performing artists, truck drivers, machine operators, railway employees, and test pilots. Special social pension for disadvantaged aged, disabled, and survivors not eligible for social insurance (i.e., employment-related pension) benefits.

Source of Funds

Insured person: 1% of earnings.

Employer: 30% of payroll.

Government: Subsidies as needed. Full cost of social pensions. Above contributions also finance benefits for cash sickness, maternity, work-injury, and for family allowances.

Qualifying Conditions

Old-age pension: Age 60 and 6 months with 25 years of covered employment (men) or age 55 and 6 months with 20 years of work (women); requirements reduced for hazardous or arduous work, for work in ecologically damaged regions, for mothers of 5 or more children or of disabled children, and for the blind.

Social pension: nonworking citizens not eligible for old-age pension and aged 63 and 6 months for men and 58 and 6 months for women (60 and 6 months for men and 55 and 6 months for women in ecologically damaged regions).

Disability pension: Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance. Partial disability (incapacity for usual work): Group III disability. Insured has a minimum of 2 to 15 years of covered employment, depending on age of onset of disability. Social pensions: disabled citizens not eligible for disability pension or disabled children under age 16.

Survivor pension: Insured has 2 to 15 years of work (depending on age of insured at death), payable to surviving children whether or not dependents of the insured; and to nonworking dependents (including spouse; either parent, if disabled and not yet of pensionable age; grandparents, if no other support available; and other relatives—regardless of their age or ability to work—if employed by the deceased to care for grandchildren, children, or siblings under age 8).

Social pension: payable to qualified surviving dependents who are ineligible for survivor pension due to insufficient length of covered employment of insured.

Old-Age Benefits

Old-age pension: 60% of earnings, plus 1% of earnings for each year in excess of 25 (men) or 20 (women) years of work.

Payable monthly. Minimum: 100% of social minimum established yearly in the Republic budget (550 tenge as of January 1997).

Social pension: 80% of minimum old-age pension.

Partial pension (if insufficient years of covered employment):

Monthly benefit reduced in proportion to number of years below required years of coverage.

Adjustment: Periodic benefit adjustments according to cost of living changes.

Permanent Disability Benefits

Disability pension: Group I disability pension, 65% of earnings; Group II disability, 60% of earnings; Group III disability, 40% of earnings. Minimum: Group I and II disability, 100% of minimum old-age pension; Group III disability, 50% of minimum old-age pension.

Partial pension (if insufficient years of covered employment):

Monthly benefit reduced in proportion to number of years below required years of coverage.

Social pension for Group I disability, Group II disability if disability began in childhood, and disabled children under age 16: 100% of minimum old-age pension per month. Group II disability for adults, 80% of minimum old-age pension per month. Group III disability, 50% of minimum old-age pension per month.

Adjustment: Periodic benefit adjustment according to cost of living changes.

Survivor Benefits

Survivor pension: Payable monthly at 40% of earnings for each dependent. Minimum for each surviving, disabled child under age 16, 100% of minimum old-age pension per month.

Partial pension (if insufficient years of covered employment):

Monthly benefit reduced in proportion to number of years below required years of coverage.

Social pension: for each dependent child, 60% of minimum old-age pension.

Adjustment: Periodic benefit adjustment according to cost of living changes.

Administrative Organization

Republic Ministry of Labor and Social Protection of the Population, general coordination and supervision.

Regional departments of labor and social protection, administration of program.

Work Injury

First and current laws: 1955 (short-term benefits), 1991 (pensions), 1993 (death grant), and 1995 (medical insurance).

Local authorities and employers can provide supplementary pension benefits out of their own budgets.

Type of program: Dual social insurance (cash benefits) and universal (medical care) system.

Coverage

Cash benefits: Employed persons.

Medical care: Employed persons.

Source of Funds

Insured person: Contributions to medical insurance fund; none for cash benefits.

Employer: Whole cost for cash benefits; contributions to medical insurance fund for medical care.

Government: None to medical insurance fund.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 100% of earnings.

Payable from first day of incapacity, until recovery or award of disability pension.

Permanent Disability Benefits

Permanent disability pension: Same as general disability pensions, above.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients by governmental health providers, including general and specialist care, hospitalization, laboratory services, transportation, plus full cost of appliances and medicines.

Survivor Benefits

Survivor pension: Same as general survivor pensions, above.

Death grant: Based on average earnings, funded by the employer.

Administrative Organization

Temporary disability benefits: Enterprises and employers pay benefits to own employees.

Pensions: Same as under old-age, disability and survivor pensions above.

Medical care: Republic Ministry of Health, and health departments of local governments, general supervision and coordination; provision of medical services through clinics, hospitals, and other facilities administered by the Health Ministry and local health departments. Medical Insurance Fund, funding for approved medical treatments.

Note: Details are not yet available for "Sickness and Maternity," 1995 Medical Insurance, "Unemployment Benefits," and "Family Allowances."